

**BAL HARBOUR VILLAGE COUNCIL MEETING MINUTES**  
**WORKSHOP MEETING – JULY 27, 2010**

A Workshop Meeting of the Bal Harbour Village Council was held on Tuesday, July 27, 2010, at the Bal Harbour Village Hall Council Chamber (655 – 96<sup>th</sup> Street, Bal Harbour, Florida).

**1. CALL TO ORDER/ROLL CALL:** The meeting was called to order at 6:01 p.m. by Mayor Rosenfield. The following were present:

Mayor Jean Rosenfield  
 Councilwoman Patricia Cohen,  
 Councilman Martin Packer  
 Councilman Jaime M. Sanz

Alfred J. Treppeda, Village Manager  
 Ellisa Horvath, MMC, Village Clerk  
 Christopher Wallace, Finance Director  
 Daniel L. Abbott, Village Attorney

Absent: Assistant Mayor Joni D. Blachar

As a quorum was determined to be present, the meeting commenced.

**2. PLEDGE OF ALLEGIANCE:** The pledge was led by Lynne Bloch Mullen, Village resident.

**3. DISCUSSION OF 2010/2011 BUDGET:** Mayor Rosenfield explained the purpose of the workshop meeting to review the budget process and receive input from the public.

***Chris Wallace, Finance Director,*** reviewed a PowerPoint presentation. He additionally discussed the following for consideration: the Florida Retirement System for future general employees to lower the costs for the pension (the police plan would need to be negotiated), and charging for solid waste (\$250-\$300 estimate per home).

Mr. Wallace reported a total expenditure decrease of \$360,885 (-2.72%).

Mr. Wallace reviewed revenues and the effect of declining property values and appeals. He noted that the appeals reduced the property tax revenue by \$317,838 or -5.25%, which created a problem for the current and following year.

Councilwoman Cohen arrived.

Mr. Wallace explained that \$2 million of the money received from the St. Regis Development Agreement was saved for use over the next two years to stabilize the budget. He clarified that due to the property tax revenue loss there was a larger revenue shortfall

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1 Councilwoman Cohen arrived during the PowerPoint Presentation.

than expected.

Mr. Wallace reviewed three scenarios (to make up a \$1,444,596 revenue shortfall) summarized as follows:

Without a Separate Bill for Solid Waste

Scenario One: 3.1684 New Millage Rate  
\$1 Million Budget Stabilization Fund

Scenario Two: 2.7240 New Millage Rate  
\$2 Million Budget Stabilization Fund

Scenario Three: 3.6127 New Millage Rate  
\$0 Budget Stabilization Fund

With a Separate Bill for Solid Waste

Scenario One: 2.8129 New Millage Rate  
\$1 Million Budget Stabilization Fund

Scenario Two: 2.3686 New Millage Rate  
\$2 Million Budget Stabilization Fund

Scenario Three: 3.6127 New Millage Rate  
\$0 Budget Stabilization Fund

Mr. Wallace expected the St. Regis to be on the property taxes for Fiscal year 2013, but explained that until it was online the Village needed to find the right mix of implementing a garbage fee, using stabilization funds, and raising the millage rate. He recommended against using the unreserved and undesignated fund balance of \$5,739,374.

Mr. Wallace requested consensus on the direction to go with the millage rate, since the proposed rate had to be set by August 4<sup>th</sup>. He noted that the budget hearings setting the final millage rate would be held in September. He clarified that according to State law, once a millage rate was advertised it could not be raised, but it could be lowered. He noted that it would be typical to set the millage rate a little higher than what it ended up as, in order to allow some leeway.

Mayor Rosenfield reported that the Village was researching the Florida Retirement System, the implementation of a garbage fee (most other municipalities charged) and reviewing all aspects of the budget.

**Anamarie Kelly, 77 Camden Drive**, questioned the items and designated areas covered under Open Space, if the Village maintained Collins Avenue or only 96th Street under Roads & Streets, if the landscape contract for the residential district was included in the budget under Beautification and Maintenance, and if the watering for the lawn in the residential district was included under the Water Department. She requested the actual work product from Mr. Wallace that created the numbers. She also requested last year's figures, the current year figures, and the proposed figures.

**Anthony Gillam, 9800 Collins Avenue**, requested an estimate on how the millage rate

would affect the property tax. He suggested saving money on the emergency police boxes on the beach, if they hadn't been used. Mr. Treppeda reported that the Code Blue emergency phones were paid by the ONE Bal Harbour project and the Police had received several calls from them. He reported that the maintenance was not expensive and that it was worth having them for the remote area of the beach.

Mr. Treppeda reported that the Open Space fund covered the maintenance in the Security District, which the Village staff was researching, and Village Hall. He reported that the Roads & Streets fund provided for the Village Hall parking lot. Mayor Rosenfield clarified that the Village was working with the Security District on the maintenance issue. Mr. Treppeda agreed that research was being conducted on the issue. Mayor Rosenfield explained that the decision process on that issue was delayed until the research was completed.

Mr. Wallace explained that there was a line item detailed budget, but that there was a limited format and a lot of the costs were still being worked on. He noted that certain costs hadn't been received (health insurance), so the amount listed for those were only estimates. He clarified that the staff needed direction on the main areas of concern and noted that the details would be available to the public, prior to the first meeting in September. He reported that the tourism budget was not discussed, since the Resort Tax Committee had not set their budget yet, and clarified that the resort tax revenue was not affected by the property tax.

Mr. Wallace explained that there weren't any un-metered service for irrigation (water department), the sewer treatment was provided by Miami Beach (cost not received yet), and the Security District had the only special assessment hearing. He reported that the line items would be made available to the public.

Mr. Wallace explained that in Scenario #1 the cost would be \$28.64 per \$100,000 of gross value. He noted that on average the property taxes declined in the Village, so there may not be an increase on some of the properties and everyone's situation would be different. He explained that in Scenario #2 there wasn't an increase, and in Scenario #3 the cost would be \$73 per \$100,000 of gross value.

**Dina Cellini, 211 Bal Cross Drive**, was disappointed that the public was not provided with actual figures and spoke in favor of a budget committee, cutting the budget more, and providing a fourth option. Mayor Rosenfield clarified that a fourth option could be presented. Ms. Cellini discussed reducing the police budget and a lot of the concessions that remained in the contract (life scans, etc.) that should have been addressed. She spoke against increasing the millage rate to find the funds. She didn't think that the staff had done enough cuts and information was not provided for residents to propose what should be cut.

Ms. Cellini questioned if the \$2.25 million from the St. Regis was ending with the current fiscal year. Mr. Wallace reported that it was. Ms. Cellini clarified that the St. Regis was expected to come on the tax roll in the 2013 fiscal year, so there would be two years of no contribution from that property. Mr. Wallace agreed. Ms. Cellini questioned if the project was completed before January 1<sup>st</sup> if it would then be on the tax rolls for the 2012/2013 fiscal year. Mr. Wallace clarified that he didn't have control when the property appraiser placed the property online, but he didn't expect it to be before fiscal year 2013.

Ms. Cellini spoke against the new landscape contract (with The Brickman Group), since she felt it was not prudent and staff could perform other duties. She spoke in favor of the Village's solid waste service and against outsourcing that department. She voiced disappointment on the inability to comment on the line items for each department.

Mayor Rosenfield reported that the Council had worked with the departments regarding the budget. She spoke against the comments regarding the police and reported that negotiations were conducted to reach a contract. She reported that the police contract required that life scans be done for officers over the age of 40 (at a total cost of approximately \$2,000), which would be examined during the next negotiation process.

Mayor Rosenfield clarified that the Council had previously discussed the lawn services, etc. in the Security District which is why the research was requested regarding the property behind the gates. She thought that it was unfair to accuse that the Council hadn't done anything regarding that issue.

**Neil Alter, 9801 Collins Avenue**, requested more detailed information. He questioned the increase of \$80,000 in the Beautification and Maintenance budget.

Mayor Rosenfield explained that the specifics would be provided. Councilman Packer agreed that the line items should have been provided for the workshop meeting instead of waiting until September, in order to provide comments. He noted however that the Council could not micromanage the professionals that were employed. Mayor Rosenfield reported that the Councilmembers were able to meet with Mr. Wallace to review any of the budget items. Councilman Packer agreed, but felt that the public should be entitled to that information also. Mayor Rosenfield agreed. Mr. Treppeda explained that the line items would be available before the first budget hearing. Mayor Rosenfield reported that this was the Village's first time conducting workshops and all of the comments would be considered for next year's budget process.

**Lynne Bloch Mullen, 10150 Collins Avenue**, objected to the open space being in the general fund, since the Village should not pay for open space in the Security District that all of the residents could not use. Mayor Rosenfield reported that was why that issue was being researched (where and who was entitled to use it).

**Anamarie Kelly, 77 Camden Drive**, suggested that in-house legal counsel be considered to cut expenses. She discussed an agreement from 1988 with the Civic Association that expired, regarding the number of police officers that were required to cover the Security District. She questioned the number of additional officers that were used to patrol the Security District and if the Civic Association had a deed to the property. She discussed the misuse of public funds for the Security District. She questioned the legal costs to defend a lawsuit for the Council, using public funding for private property.

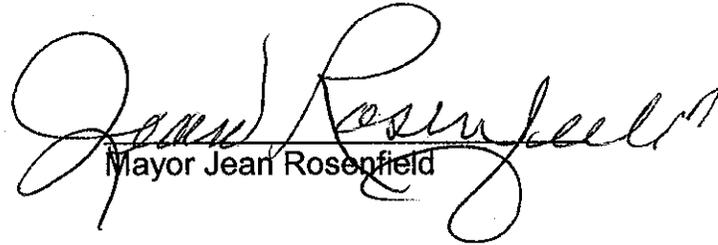
Mr. Wallace explained that the property tax estimates were not received until July 1st and then the Village's review began. He reviewed the statute requirements regarding budget hearings and explained that action could not be taken on the taxes or the millage rate prior to those hearings. He clarified that examining the budget was an ongoing process throughout the year. Mr. Wallace explained that the only thing that began and ended with the current budget process was setting the property tax. He noted that the Council needed to be careful about depriving the property owners from making comment on the budget

process, until the hearings. He clarified that the public did not have to wait until the budget process to discuss any items. He discussed having to make estimates on costs before the actual costs were received. Mr. Wallace explained that 10%-11% of the budget was discretionary and the rest would involve cutting services or staff.

Mayor Rosenfield pointed out that the Village had a strong manager form of government and every department had to submit their budget to the Manager for review.

**4. ADJOURN:** There being no further business, the meeting adjourned at 7:20

P.M.

  
Mayor Jean Rosenfield

Attest:

  
Ellisa L. Horvath, MMC, Village Clerk